



BILLING CODE: 3410-XY-U

DEPARTMENT OF AGRICULTURE

Rural Business-Cooperative Service

**Notice for Inviting Applications for the Position of
National Fund Manager for the Healthy Food Financing
Initiative**

AGENCIES: Rural Business-Cooperative Service, USDA.

ACTION: Notice.

SUMMARY: This notice invites Community Development Financial Institutions to apply for the position of National Fund Manager for the Healthy Food Financing Initiative (HFFI), which was authorized under Section 4206 of the Agricultural Act of 2014 (2014 Farm Bill).

DATES: Applications are due by 4:00 pm Eastern Standard Time on [INSERT 30 DAYS DATE OF PUBLICATION IN THE FEDERAL REGISTER].

ADDRESSES: Submit complete applications to: James Barham, Agricultural Economist, Rural Business-Cooperative Service,

U.S. Department of Agriculture, Stop 3254, 1400
Independence Avenue SW., Washington, D.C. 20250-0783;
james.barham@wdc.usda.gov.

SUPPLEMENTARY INFORMATION

Background

On February 7, 2014, the Agricultural Act of 2014 (Pub. L. 113-79) (2014 Farm Bill) was signed into law. Section 4206 of the 2014 Farm Bill established the Healthy Food Financing Initiative (HFFI). The purposes of the HFFI are to improve access to healthy foods in underserved areas, to create and preserve quality jobs, and to revitalize low-income communities by providing loans and grants to eligible fresh, healthy food retailers to overcome the higher costs and initial barriers to entry in underserved areas.

A key component to the successful implementation of the HFFI is the National Fund Manager (NFM). The primary roles of the NFM, as identified in the 2014 Farm Bill, will be to raise private capital, provide financial and technical assistance to partnerships, and fund eligible projects to support retailers and their supply chains that bring fresh, healthy food into underserved areas.

HFFI was designed as a three-agency initiative. Since

the Department of Treasury and the Department of Health and Human Services already have HFFI activities underway through existing programs, in standing up HFFI at USDA, the Agency and the NFM will take great care to ensure appropriate cooperation and coordination to achieve the goals of HFFI. Until Federal funds are appropriated for this HFFI program, the NFM will pay for its own administrative, fundraising, and management costs; USDA will not be responsible for such costs. Those costs may be covered through private fundraising agreements or other third party sources. If and when Federal funds are made available, Section 4206 permits them to be used to cover administrative expenses of the NFM in an amount not to exceed 10 percent of the Federal funds provided.

I. Eligibility Criteria for Being the National Fund Manager

To be eligible to be the National Fund Manager, the applicant must meet each of the following conditions:

- The applicant must be a Community Development Financial Institution (CDFI) certified by the U.S. Department of the Treasury Department CDFI Fund.
- The applicant must have been in existence on February 7, 2014, and must still be in existence on the

date the CDFI applies for the NFM position.

II. Roles and Responsibilities of the National Fund

Manager

The Agency envisions that the NFM will have a variety of roles and responsibilities to help ensure the success of the HFFI program. The following presents the general roles and responsibilities of the NFM currently envisioned by the Agency. The final roles and responsibilities will be identified in an appropriate agreement as agreed upon between the successful applicant and the Agency. The roles and responsibilities may vary depending on whether Federal funds are appropriated for the HFFI program.

A. Assistance-Related

- Raise private capital. The NFM will be expected to raise private funds to be used toward the HFFI purposes.
- Leverage public funds. The NFM will be expected to leverage, and encourage the use of, funds from other federal agencies/resources, such as Treasury's CDFI Fund, HHS' Office of Community Services, SBA loans and grants, and USDA loans and grants.
- Other financial assistance. In addition to the types of financial assistance identified in the statute

(loans and grants), the NFM may provide other financial assistance provided such assistance conforms to all applicable laws and regulations and best industry practices and are approved by the Agency prior to being utilized.

- Technical assistance. The NFM will be expected to provide appropriate and necessary technical assistance to partnerships and projects seeking HFFI funding and those funded under this initiative.

B. Award-Related

- Establish eligibility criteria for projects and partnerships. The NFM will establish criteria for both projects and partnerships to determine if they are eligible to receive HFFI funding in accordance with section 4206. These criteria will be subject to Agency approval.

- Making awards. The NFM will review all project applications to ensure that each application is complete and eligible to be considered for an award. The NFM will establish an award process consistent with the priorities identified in the statute and any other priorities that otherwise advance the HFFI purposes, as determined by the Agency.

C. Post-Award Related

- Track performance. The NFM will recommend to the Agency for approval outcome metrics for tracking the performance of projects awarded funding under the HFFI program. The Agency expects the NFM to track both financial performance and community impact.

- Data collection and compilation. The NFM will collect and compile the USDA-approved outcome metrics from HFFI program beneficiaries.

- Reports to USDA. For all projects receiving funding under the HFFI program, the NFM will submit to the Agency:

- o Periodic reports on outcome metrics;
- o Percentage of the number of projects funded each Federal fiscal year that are located in a rural area; (rural area as used in this notice means any area other than (i) a city or town that has a population of greater than 50,000 inhabitants; and ii) any urbanized area contiguous and adjacent to a city or town described in clause (i)).

- o A copy of its CDFI Fund Annual Certification and Data Collection Report Form submitted to the Department of Treasury; and

- o An annual report with a synopsis of each project receiving funding under the HFFI program.

D. Outreach

The NFM will be expected to actively publicize the HFFI program to appropriate communities and priority populations. In addition, the NFM will be expected to help build the capacity of potential applications, partners, and peers. The specific role of the NFM in this area will be negotiated between the Agency and the NFM.

III. APPLICATION INFORMATION

CDFIs must submit all of the information identified in this section of the notice to be considered for the NFM position. When submitting your application, be mindful of the scoring criteria identified in Section V, Scoring Information, of this notice to ensure your application is fully responsive.

1. Contact information. The full name of the CDFI, its address, at least two points-of-contact with both email addresses and telephone numbers.

2. Certification. Certify that on February 7, 2014, the applicant was in existence and was certified through the U.S. Department of the Treasury's CDFI Fund. Additionally, provide documentation showing that you are

currently a CDFI (i.e., at time of application) and when your current certification expires.

3. Project experience. Describe your experience with projects associated with retail outlets, regional food systems, and locally grown foods and with such projects that serve women-owned businesses and minority-owned businesses. Identify the source of funds for such projects. Include the type of project, its purpose(s), size, location (including whether rural or urban), populations served (including women- and minority-owned businesses), and source of funds. Be sure to identify the types of assistance you provided for these projects, especially for projects relevant to the HFFI program (e.g., retail outlets, regional food systems, locally grown foods).

- For **revolving loan funds and other products** that provide loans, describe the CDFI's relationship to and role in each revolving loan fund (e.g., raised capital, administered, served as a consultant). If you have used other financial products to provide loans, describe each, how they were used, how successful they were, and the communities/populations/businesses served.

- For **grants** to fund projects, identify the size of the grant and any terms and conditions associated with the

use of the grant funds.

- For **technical assistance**, describe the types of technical assistance and to whom the technical assistance was provided. In addition, describe the types of Technical Assistance that you would provide, if selected as the NFM, to benefit underserved areas with low- and moderate-income populations; rural communities; women- and minority-owned businesses; and local or regional food systems.

4. Outreach and collaboration. Describe outreach activities that the CDFI has led or participated in for underserved areas with low- and moderate-income populations and their location (rural, urban). Identify your role and the content of the outreach activity. Provide an assessment of why they were successful or not. If not successful, describe what can be done to improve their effectiveness.

Describe the CDFI's history of collaboration with the U.S. Department of Agriculture and other governmental (e.g., other federal, regional, state, local) agencies, other CDFIs, national organizations in the healthy food arena, and other similar stakeholders. Identify the partners, including contact information, the types of projects you collaborated on, and the roles you and the partners each played. If not included under Project

Experience, identify the types of projects that you have collaborated on, including their size, purpose, location, and populations served.

If selected as the NFM, describe your plans to reach out to underserved areas with low- and moderate-income populations, rural communities, women- and minority-owned businesses, and businesses that support local or regional food systems. Include examples where you have implemented any of these approaches and provide an assessment of why they were or were not successful. If not successful, describe what can be done to improve their effectiveness.

As the NFM, describe the roles that both national organizations and local healthy food stakeholders would play in supporting the HFFI program. Describe your approach to collaborating with these stakeholders to facilitate HFFI investments.

5. Financing/Capital. Describe the CDFI's financial condition and provide your current audited financial statement. Describe your experience in raising capital and administering pools of capital in a cost-efficient manner, including specific examples and their size.

If you are selected as the NFM, describe the strategy you will use to raise private capital in support of this HFFI program and your strategy for making successful HFFI

investments. Be sure to address HHFI investment in rural areas and the priority areas (e.g., regional food systems, local foods, quality jobs) identified in the statute.

6. Project management capacity. Describe your management team, including length and type of financial experience, government experience, and experience relevant to healthy foods, especially in connection with public-private partnerships, underserved areas with low- and moderate-income populations, rural communities, and women- and minority-owned businesses and in connection with food supply chains. Provide resumes of key managers.

Describe your contracting (including subcontracting) experience relevant to the types of assistance to be provided through the HHFI program. This might include such activities as contracting for support of servicing loan or grant awards or for the provision of specific types of technical assistance. For each contracting effort described, identify the purpose/scope of the contract, its size and duration, and the party or parties with whom you contracted. Please provide any additional contracting-related information you believe is relevant to the role of the NFM.

Discuss the keys to being a successful NFM and for the HHFI program to succeed. Describe barriers to making HHFI

successful and how, if you are selected, you will overcome them. Additionally, describe any innovative techniques that you have used successfully and how, if you are selected, you will use them to improve implementation of the HFFI program.

7. Rural experience. Describe the CDFI's experience specific to rural communities, populations, and programs. Include the types of projects, their size, and specific locations; collaboration with rural partners; and outreach efforts directed toward rural communities.

Discuss the strategies you would use, if you are selected as the NFM, to ensure the successful implementation of the HFFI program in rural areas.

8. Rural project awards. If you are selected as the NFM, based on the total number of projects funded under this program, identify the minimum percentage of rural projects that you will fund in the first Federal fiscal year, the second Federal fiscal year, and third (and thereafter) Federal fiscal year. Provide an explanation for how you arrived these three percentages.

9. Program evaluation. Describe the CDFI's experience in identifying/establishing and employing program performance targets and metrics, including the gathering of information and data from recipients of

funding. Indicate if you have reported such information to third-parties and, if so, to whom, what information was provided, and how frequently the information was reported.

Discuss metrics you would use, if selected as NFM, to evaluate whether and to what extent the projects funded have met the objectives of the HFFI program.

10. Local and regional food. Describe the CDFI's involvement in a project that supported local and regional food systems. Discuss any unique financing or logistical challenges. In particular, describe how that project enhanced low-income consumers' access to staple foods, created quality jobs and otherwise supported community economic development.

Describe the greatest financial and logistical challenges facing local and regional food systems and how, if you are selected as the NFM, you would address those challenges to successfully incorporate projects that support local and regional food systems into the HFFI program.

IV. NFM APPLICATION SUBMITTAL REQUIREMENTS

All responses must be in English. Applications must not exceed 30 pages, excluding resumes and current audited financial statements. Applications must use 12-point font

of any type, and may be either single- or double-spaced. Application material must be printable by electronic media on one side of the paper. Do not include formatting that requires large megabyte support.

Responses to either the mailing address or the email address identified under the **ADDRESSES** section of this notice no later than the date and time provided in the **DATES** section of this Notice. If responding via email, your response must be sent as a pdf file attachment to the email.

V. NFM SCORING INFORMATION

The following describes how the Agency will score complete, eligible applications for the NFM position. In general, providing specific examples under all of the criteria will help boost an applicant's score.

A. Project Experience (maximum 20 points)

The more experience the NFM has with similar projects and the types of assistance for implementing the HFFI program, the better the NFM will be able to implement and manage the program. Therefore, an applicant's score under this criterion will be commensurate with the applicant's experience in and understanding of:

- Type of projects. The Agency will consider the

applicant's experience with projects identified in the statute authorizing the HFFI program. Other experience associated with relevant HFFI-related projects/fresh, healthy food retail business enterprises, including regional food systems and locally grown foods, will help boost an applicant's score.

- Size of each project. CDFIs with experience in only (or mainly) large projects may not be well suited to support small projects and vice-versa. Experience with a variety of project sizes helps show desirable capabilities. Therefore, the Agency will consider an applicant's experience with various size projects. Experience with a wide variety of project sizes will help boost an applicant's score.

- Entities served. The Agency will consider the level of experience the applicant has in providing assistance to underserved areas with low- and moderate-income populations; women-owned businesses; and minority-owned businesses. More experience in providing assistance to such entities will help boost an applicant's score.

- Type of assistance. Successfully provided the type of assistance indicated in the statute, including making and servicing grants, loans, loan loss reserves, tax

credits and/or other financing tools envisioned under the HFFI program. Demonstration of the types of Technical Assistance that will most benefit underserved areas with low- and moderate-income populations; rural communities; women- and minority-owned businesses; and local or regional food systems.

Experience across all types of assistance envisioned under the HFFI program and experience that is more evenly spread across the types (rather than being concentrated in one type of assistance) will help boost an applicant's score.

B. Outreach and Collaboration (maximum 20 points)

If people do not know about the HFFI program, few will apply and the HFFI program will not be successful. Therefore, it is critical that there is a good roll-out of the HFFI program. Further, successful collaboration with such entities as national food access organizations will be valuable to the success of the HFFI program. A CDFI with good, established relations is more likely to be able to leverage that experience for better program implementation.

Outreach and collaboration will be primary responsibilities of the NFM (although the Agency will assist and the Agency expects that national food access organizations will also provide valuable assistance).

In evaluating applicants for the NFM position, the Agency will score applications commensurate with the applicant's:

- Approaches to reaching out to underserved areas with low- and moderate-income populations, rural communities, tribal communities, women- and minority-owned businesses, and local or regional food systems that will be served by the HFFI program and the effectiveness of such approaches;
- Successful collaboration with CDFIs, national food access organizations, and other stakeholders to market such programs;
- Proven track record in working with federal agencies, including the U.S. Department of Agriculture; and
- Vision of the role that national organizations and other healthy food stakeholders should play in support of the HFFI program, its approach to accessing these stakeholders, and how the NFM will work with them in order to facilitate HFFI investments.

C. Financing/Capital (maximum 20 points)

The ability of the NFM to raise private capital will be critical to funding HFFI projects. In addition, the Agency anticipates that the HFFI program will be a large

program, and the experience of the NFM in successfully managing and administering large amounts of capital in a cost-efficient manner will be important.

An applicant's score under this criterion will be commensurate with the applicant's:

- Experience in raising significant amount of private capital;
- Experience in successfully managing large pools of capital in a cost-efficient manner, including management fees; and
- Approach for raising private capital for this HFFI effort and for making successful HFFI investments, especially in rural areas.

D. Project Management Capacity (maximum 15 points)

An applicant's score under this criterion will be commensurate with qualifications of the applicant's management team (including experience related to financial management, healthy foods, experience with the U.S. Department of Agriculture and other federal agencies and offices), demonstration of the CDFI's financial stability, how long the CDFI has been in existence, and the CDFI's strategy for being a successful National Fund Manager. In addition to the material supplied by the applicant, the

Agency may use current Department of the Treasury data on the CDFI to assess the applicants' financial stability. By applying for this position, the applicant is consenting to the Department of the Treasury's release of such information to the Agency for the purpose of evaluating your application.

The NFM may enter into contracts in order to better implement the HFFI program (e.g., in servicing loans or grants once awards are made; providing technical assistance in a specialized topic). Even though the extent the NFM will need to enter into such contracts in order to implement the HFFI program is unknown and is likely to vary from CDFI to CDFI, an applicant's score will be commensurate with its experience in administering multiple contracts and subcontractors.

Demonstrating an understanding of barriers faced by HFFI and successful and innovative approaches to overcome such barriers will help boost an applicant's score. Management experience relevant to healthy foods, especially in connection with public-private partnerships; underserved areas with low- and moderate-income populations; rural communities; tribal communities; and women- and minority-owned businesses will also help boost the applicant's score under this criterion.

E. Rural Experience (maximum 10 points)

There are unique challenges to providing funding and technical assistance to rural communities. To be most effective as the NFM, the applicant should have substantial experience is providing funding and/or technical assistance to rural communities. An applicant's score under this criterion will be commensurate with the amount of the applicant's experience with rural communities and its approach to ensure successful implementation of the HFFI program in rural areas.

F. Rural Project Awards (maximum 20 points)

Under this criterion, the Agency will award points commensurate with the applicant's percentages of rural projects and the applicant's reasonable justification for those percentages. The Agency will require the selected NFM to meet or exceed this percentage in the third Federal fiscal year and each Federal fiscal year thereafter.

- If the applicant commits to funding 50 percent or higher of the total number of projects in rural areas in the third Federal fiscal year, the Agency will award up to 20 points.
- If the applicant commits to funding between at least 25 percent and up to 50 percent of the total number of projects in rural areas in the third Federal

fiscal year, the Agency will award up to 10 points.

- If the applicant commits to funding less than 25 percent of the total number of projects in rural areas in the third Federal fiscal year, the Agency will award 0 points.

G. Program Evaluation (maximum 10 points)

Being able to evaluate the performance of the HFFI program will require the collection and analysis of program outcome metrics. In selecting the NFM, the Agency will score applicants commensurate with (1) their experience in creating outcome metrics applicable to HFFI (or similar) projects or similar projects to include developing, tracking, and reporting project performance targets and metrics, especially with regards to projects associated with healthy food projects; and (2) their recommendation of outcome metrics for evaluating the extent that projects funded have met the statutory objectives of the HFFI program.

H. Local and Regional Food (maximum 5 points)

Supporting local and regional supply chains promises to multiply the economic impact of the HFFI program, and ensure that it increases access to the healthiest foods. But, as with providing assistance to rural communities, there are unique challenges associated with projects that

support local and regional supply chains. To be most effective as the NFM, the CDFI should have tangible experience providing funding and/or technical assistance to projects in local and regional food systems and have an understanding of the financial and logistical challenges facing local and regional food systems, especially as they pertain to low-income consumers' access to staple foods, creating quality jobs, and other support of community economic development. An applicant's score under this criterion will be commensurate with the amount of the applicant's experience in this area and understanding of the challenges facing local and regional food systems.

VI. SELECTION OF THE NFM

The Agency will rank applicants based on their scores, with the highest ranking applicant receiving first consideration.

The Agency will notify, in writing, each applicant as to whether or not they were selected as the NFM. Applicants not selected for the NFM position will be provided appeal rights.

VII. AGENCY AND NATIONAL FUND MANAGER AGREEMENT

The Agency will enter into an appropriate Agreement

with the selected applicant. The Agency will work with the selected applicant to clearly define the NFM's roles and responsibilities in accordance with this notice and section 4206. The Agreement will detail final provisions between the selected applicant and the Agency. If the Agency cannot reach agreement with the selected applicant on the terms and conditions for the Agreement, the Agency will approach the next best applicant to become the NFM.

VIII. FOR FURTHER INFORMATION

If you wish further information concerning this Notice and the solicitation of the NFM, please contact: James Barham, Agricultural Economist, 202-690-1411, james.barham@wdc.usda.gov.

IX. NONDISCRIMINATION STATEMENT

In accordance with Federal civil rights law and U.S. Department of Agriculture (USDA) civil rights regulations and policies, the USDA, its Agencies, offices, and employees, and institutions participating in or administering USDA programs are prohibited from discriminating based on race, color, national origin, religion, sex, gender identity (including gender expression), sexual orientation, disability, age, marital

status, family/parental status, income derived from a public assistance program, political beliefs, or reprisal or retaliation for prior civil rights activity, in any program or activity conducted or funded by USDA (not all bases apply to all programs). Remedies and complaint filing deadlines vary by program or incident.

Persons with disabilities who require alternative means of communication for program information (e.g., Braille, large print, audiotape, American Sign Language, etc.) should contact the responsible Agency or USDA's TARGET Center at (202) 720-2600 (voice and TTY) or contact USDA through the Federal Relay Service at (800) 877-8339. Additionally, program information may be made available in languages other than English.

To file a program discrimination complaint, complete the USDA Program Discrimination Complaint Form, AD-3027, found online at http://www.ascr.usda.gov/complaint_filing_cust.html and at any USDA office or write a letter addressed to USDA and provide in the letter all of the information requested in the form. To request a copy of the complaint form, call (866) 632-9992. Submit your completed form or letter to USDA by:

(1) mail: U.S. Department of Agriculture, Office of the Assistant Secretary for Civil Rights, 1400 Independence Avenue, SW., Washington, D.C. 20250-9410;

(2) fax: (202) 690-7442; or

(3) email: program.intake@usda.gov.

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Dated: November 21, 2016

Samuel H. Ridders
Administrator
Rural Business-Cooperative Service
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